

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved,
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

LONE MOUNTAIN PRODUCTION COMPANY

3. ADDRESS OF OPERATOR

100 N 27TH, SUITE 450, BILLINGS, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

844' FNL 2280' FWL

At proposed prod. zone

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 MILES NORTHWEST OF MACK, COLORADO

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

844'

16. NO. OF ACRES IN LEASE

1280 ACRES

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160 ACRES

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

2236'

19. PROPOSED DEPTH

3576' MORRISON

20. ROTARY OR CARLIS TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5366' GR

22. APPROX. DATE WORK WILL START*

MAY 30, 1994

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	300'	150 sx 'G' + 3% CaCl yld: 1.
6 1/4"	4 1/2"	10.5#	3576'	175 sx 10-0 Thixotropic yld: 1.6

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program if any.

24.

SIGNED

TITLE Petroleum Engineer

DATE May 2, 1994

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

Associate District Manager

DATE

5/26/94

CONDITIONS OF APPROVAL, IF ANY:

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

LONE MOUNTAIN PRODUCTION COMPANY

1622 16 Road
Loma, CO 81524

Phone & Fax (303) 858-7546
Mobile (303) 244-6238

May 6, 1994

Ron Firth
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RECEIVED

MAY 10 1994
DIVISION OF
OIL GAS & MINING

RE: APPLICATION FOR PERMIT TO DRILL

Bar-X Federal #19
NWSW Sec. 11-T17S-R25E
Grand County, Utah

Bar-X Federal #21
NENW Sec. 12-T17S-R25E
Grand County, Utah

BMG Federal #9
NENE Sec. 17-T16S-R26E
Grand County, Utah


Dear Ron:

Enclosed please find the APDs to drill the above referenced wells. We plan to do this work in mid May to mid June.

If any further information is needed please call me at (303) 858-7546.

Very truly yours,

Lone Mountain Production


Joe Dyk
Petroleum Engineer

Enclosure

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OR APPLIED FOR, ON THIS LEASE, FT. 2236'

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24.

SIGNED

TITLE Petroleum Engineer

DATE May 2, 1994

(This space for Federal or State office use)

PERMIT NO.

43-019-31352

APPROVAL DATE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE: 6-1-94

BY: [Signature]

WELL SPACING: 8649-2-3

*See Instructions On Reverse Side

SEC. 12, T. 17 S., R. 25 E. OF THE S.L.M.

PLAT #1
LOCATION PLAT

Brass Cap N. 89° 56' 57" E. 2634.28'

Brass Cap

Brass Cap

N. 00° 01' N. 2636.37'
BASIS OF BEARING

2280'

844'

LONE MOUNTAIN PROD. CO.
BAR-X UNIT # 21
G.D. ELEV. 5366

1+2

Brass Cap

Brass Cap

SCALE

500' 0' 1000'

- LEGEND -

⊙ STANDARD LOCATION OF
OLD SECTION CORNERS.

⊙ OLD CORNERS FOUND.

⊙ WELL LOCATION STAKED.

REFERENCE DOCUMENTS

1925 OLD PLAT

BAR-X WASH
QUADRANGLE, U.S.G.S.

THIS WELL LOCATION PLAT WAS PREPARED FOR: LONE MOUNTAIN PRODUCTION CO.
TO LOCATE THE BAR-X WASH # 21, 844 F.N. L. &
2280' F.W. L. IN THE NE 1/4 NW 1/4, OF SECTION 12, T. 17 S., R. 25 E.
OF THE S.L.M. GRAND COUNTY, COLORADO

SURVEYOR'S CERTIFICATE

I, Larry D. Becker, a Registered Land Surveyor in
The State Of UTAH Do Hereby Certify That This
Survey Was Made Under My Direct Supervision, and
That This Plat Represents Said Survey.

Larry D. Becker No. 4189
UTAH L.S. # 22157559 DECEMBER

SURVEYED	3/94
DRAWN	3/94
CHECKED	3/94

ENERGY
SURVEYS
CORPORATION

361 PIKES PEAK DRIVE
GRAND JUNCTION, CO. 81503
(303) 245-7221

SCALE:	1"=1000'
JOB NO.	
SHEET OF.	

Application for Permit to Drill
Bar-X Unit No. 21
NENW Section 12-T17S-R25E
Grand County, Utah

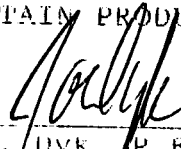
1. Surface formation is the Mancos.
2. Anticipated Geologic markers are: Mancos at surface, Dakota Silt 3026', Dakota 3111', Morrison 3226'.
3. Gas is anticipated in the Dakota and Morrison. No oil or other minerals are anticipated. No water sands are expected.
4. Proposed casing program: See item no. 23
5. Pressure control equipment: See Attached well control plan and schematic of contractor's BOP stack. BOP's will be tested before drilling out from under surface casing and checked daily.
6. Air or mist drilling will be used to drill the surface hole unless water is encountered. If water is encountered, chemical-gel mud will be used. The well will be air drilled from under surface casing to total depth.
7. Auxiliary equipment: See Well Control Plan.
8. The logging program will consist of a DIL log from total depth to base of surface casing and GR-FDC-CNL logs on the bottom 1000 feet. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is May 30, 1994. Completion operations should commence within 30 days of rig release.
11. Survey plats are attached.
12. The gas is not dedicated at this time.
13. Lone Mountain Production Company's Statewide Bond Number is: UT0719
14. The completion program will be designed after the logs have been evaluated.

WELL CONTROL PLAN

1. Surface casing: 8-5/8" O.D., 24.0#, STC, J-55 casing set at 300' and cemented back to surface with 150 sx Standard cement + 3% CaCl₂ (yield=1.19 ft³/sk; compressive strength= 650 psi in 6 hours).
3. Casinghead Flange: 8-5/8" x 4-1/2" 600 series casinghead with two 2", 2000psi L.P. outlets.
4. Blowout Preventer: The rig is equipped with a 10" 3000 psi W.P. double gate hydraulic BOP (or equivalent) with drill pipe rams and blind rams to meet requirements for a 2000 psi stack in Onshore Order No. 2. All fill, kill and choke lines will be a minimum of 2" 2000 psi W.P. A Grant rotating head will be used while air and mist drilling. A new rubber will be installed before drilling through the Dakota. BOP's will be worked daily. Blind rams will be checked during trips. BOP's will be tested to 2000 psi but not more than 70% of casing burst pressure (2065 psig) prior to drilling the shoe joint.
5. Auxiliary Equipment: (a) Drill pipe floats will be allowed at contractor's discretion. (b) Visual monitoring of air returns will be maintained. (c) Upper Kelly cock will be used. (d) Stabbing valve will be kept on the floor.
6. Anticipated bottom hole pressure is less than 800 psi at 35/6' or 0.21 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

LONE MOUNTAIN PRODUCTION COMPANY

By:


J. V. DYK, P.E.

SURFACE USE PLAN

Lone Mountain Production Company
Bar-X Unit No. 21
NE1/4 Section 12-T17S-R25E
Grand County, Utah

1. EXISTING ROADS

See Maps #1 and #2 and Plat #1. This proposed well is located approximately 17 miles northwest of Mack, Colorado. It is reached by going west on Old Highway 6&50 8.8 miles to 2 Road. Turn right and go 4.2 miles to the State line fence road. Turn to the right and go 3.0 miles north. Turn left and go 2.3 miles. Turn right and go 0.7 miles. Turn right on new road and go 0.1 miles to location.

2. ACCESS ROADS TO BE CONSTRUCTED

The proposed 600 feet of access road will be constructed with an 18 foot travel width. Total disturbance width will be 30 feet. All of the proposed access road is within the Unit boundary. A cultural survey was performed along the entire route. See Map #1 and Plat #2.

The topsoil will be windrowed on the north side of the road.

3. LOCATION OF EXISTING WELLS

9 producing wells and 1 dryholes are within one mile radius. See Map #3.

4. LOCATION OF PRODUCTION FACILITIES

See Plat #5. Every thing will be painted pinyon green.

5. LOCATION AND TYPE OF WATER SUPPLY

The source of water for this well is West Salt Creek. The pickup point is on old highway 6 & 50 out 2.5 miles west of Mack, Colorado.

6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials will be used other than native materials. Soil from cuts will be used in fills. No outside material will be brought in. Only upon completion will outside material be brought in if deemed necessary for production operations.

7. METHODS FOR HANDLING WASTE MATERIAL

Cuttings will be buried in the reserve pit at cleanup. Garbage and other waste material will be contained in a trash cage. This cage will be dumped at an approved sanitary landfill. Human waste will be contained in chemically treated sanitary porta-potties.

Drilling fluids will be contained in the reserve pit and left to evaporate. Any fluids produced during testing operations will be collected in a test tank. If a test tank is not available, the fluids will be contained in the reserve pit. Any spills of oil, gas, saltwater, or noxious fluid will be cleaned up and removed.

If the well is productive, produced water will be disposed of on site for 30 days only or 90 days with the permission of the State Petroleum Engineer. After that time application will be made for approval of permanent disposal method in compliance with the rules and regulations of the State of Utah and onshore order no. 7.

8. ANCILLARY FACILITIES

A 3" welded steel surface pipeline will be layed across to the Bar-X Unit No. 20 well approximately 2400 feet south east of the No. 21 well. An arch clearance will be performed when the well is completed. The pipeline will be constructed after a sundry notice has been submitted.

9. WEBSITE LAYOUT

See Plat #2 - Pit and Pad Layout

See Plat #3 - Cross Sections of Pit and Pad

See Plat #4 - Rig Layout

The location will be constructed large enough to accomodate the drilling rig and associated equipment with allowance made for future completion and production equipment.

Topsoil will be stripped to a depth of 4 inches and stockpiled on the north edge of the location. No topsoil stripping will be done when soils are moisture saturated to a depth of 3 inches, or frozen below the stripping depth.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. Fencing will be four strands of barb wire or 48 inch woven wire with one strand of barb wire above the woven wire. All corners will be braced. The fence construction will be on cut or undisturbed surface. A dirt bank will be constructed on the north end of the reserve

to contain dust from the blooie line.

All construction activities will be confined to the minimum area necessary. The exterior boundaries of the construction area will be clearly flagged prior to any surface disturbing activities or vegetation removal.

Lone Mountain Production Company will clear all brush prior to construction. Brush will be stock piled on the northeast and southwest edges of the location and will be kept separate from the soil stock piles. The brush will be used for mulch after the disturbed area has been seeded.

10. PLANS FOR RECLAMATION OF THE SURFACE

A biodegradeable mulch may be required if soil erosion or vegetation establishment is determined to be a problem by the authorized officer on the access or location reclamation.

All disturbed areas will be seeded with the approved seed mixture. Application rates are for pure, live seed (PLS). Seed tags will be submitted to the area manager within 30 days of seeding.

Lone Mountain will prepare seedbed by contour cultivating 4 - 6 inches deep and drilling seed 1/2 to 1 inch deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and covered 1/2 to 1 inch deep with a harrow or drag bar.

Seeding will be completed after August 15/September 1 and prior to October 1 of the fall of 1994, if feasible, but not later than the fall of 1995.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accomodate year-round traffic. Lone Mountain will reshape areas unnecessary to operation, rip or disk on the contour, and seed all disturbed areas outside the work area according to the above seed mixture. The top soil will be saved for use during final reclamation unless the site can be recontoured to blend with the natural topography as required for final abandonment. Perennial vegetation will be established. Additional work will be required in case of seeding failures. All permanent facilities placed on the location will be painted dark green to blend with the natural environment.

If the well is abandoned/dryhole:

Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, till material will be pushed into cuts and up over the backslope. No depressions will be left that could trap water or form ponds. Topsoil will be distributed evenly over the location and seeding according to the above seed mixture. The access road and location will be ripped or disked prior to seeding.

The area is considered to be satisfactorily reclaimed when:

- A) Soil erosion resulting from the operation has been stabilized.
- B) A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least as desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

12. OTHER INFORMATION

Lone Mountain will contact the Grand Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and well pad.

Lone Mountain will immediately bring to the attention of the Grand Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the Area Manager. Notice to proceed will be based on the evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the Area Manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the Area Manager determines that data recovery and/or salvage excavations are necessary, Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Grand Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

James G. Routson
Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103
Office Phone: 406-245-5077
Home Phone: 406-245-8797

Joe Dyk
Lone Mountain Production Company
1360 Hwy 6&50
Loma, Colorado 81524
Office Phone: 303-858-7546
Home Phone: 303-858-0536
Mobile phone: 303-244-6238

I hereby certify that I, or persons under my supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lone Mountain Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

May 2, 1994
Date

Joe Dyk
Joe Dyk, P.E.

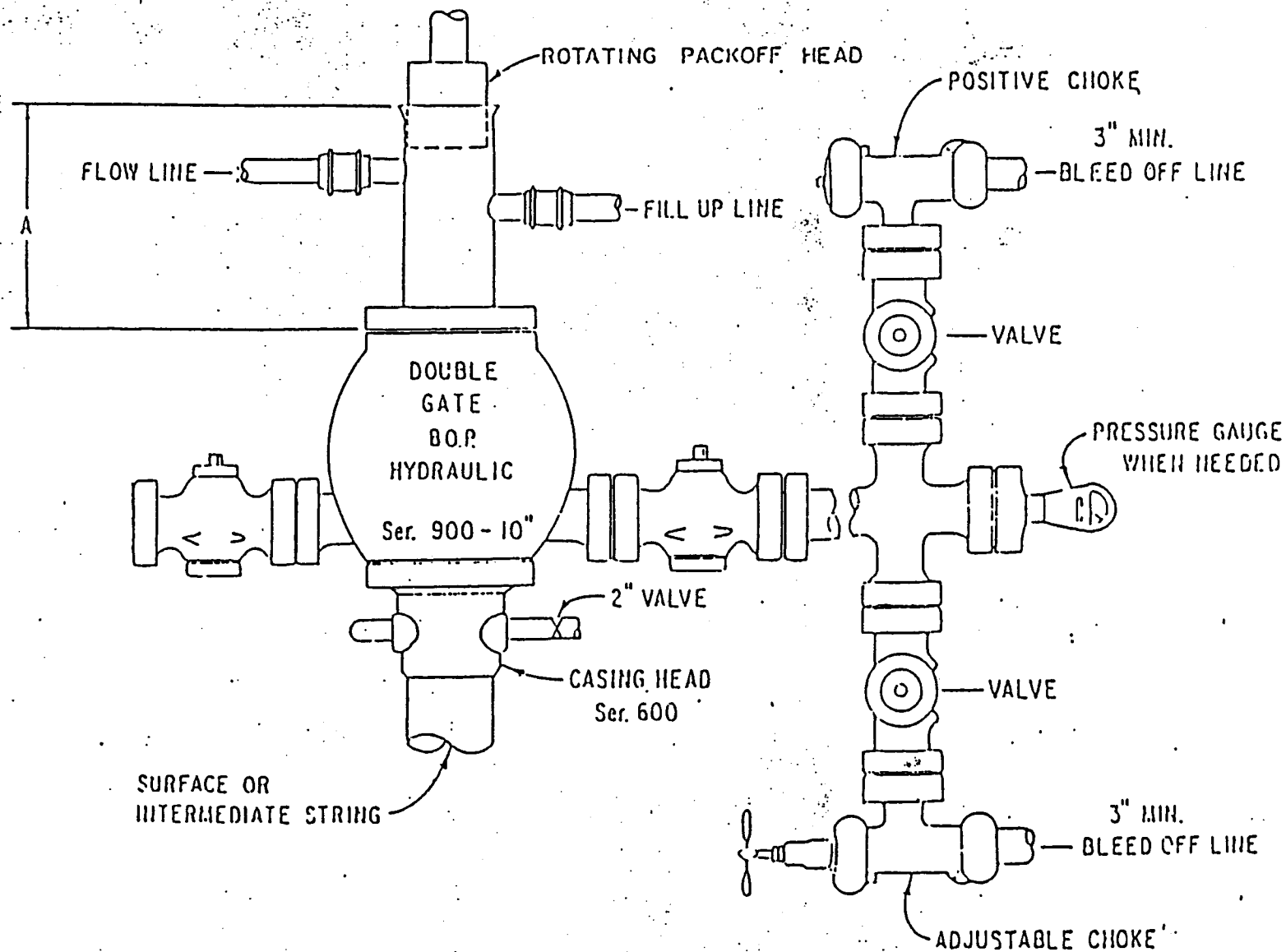
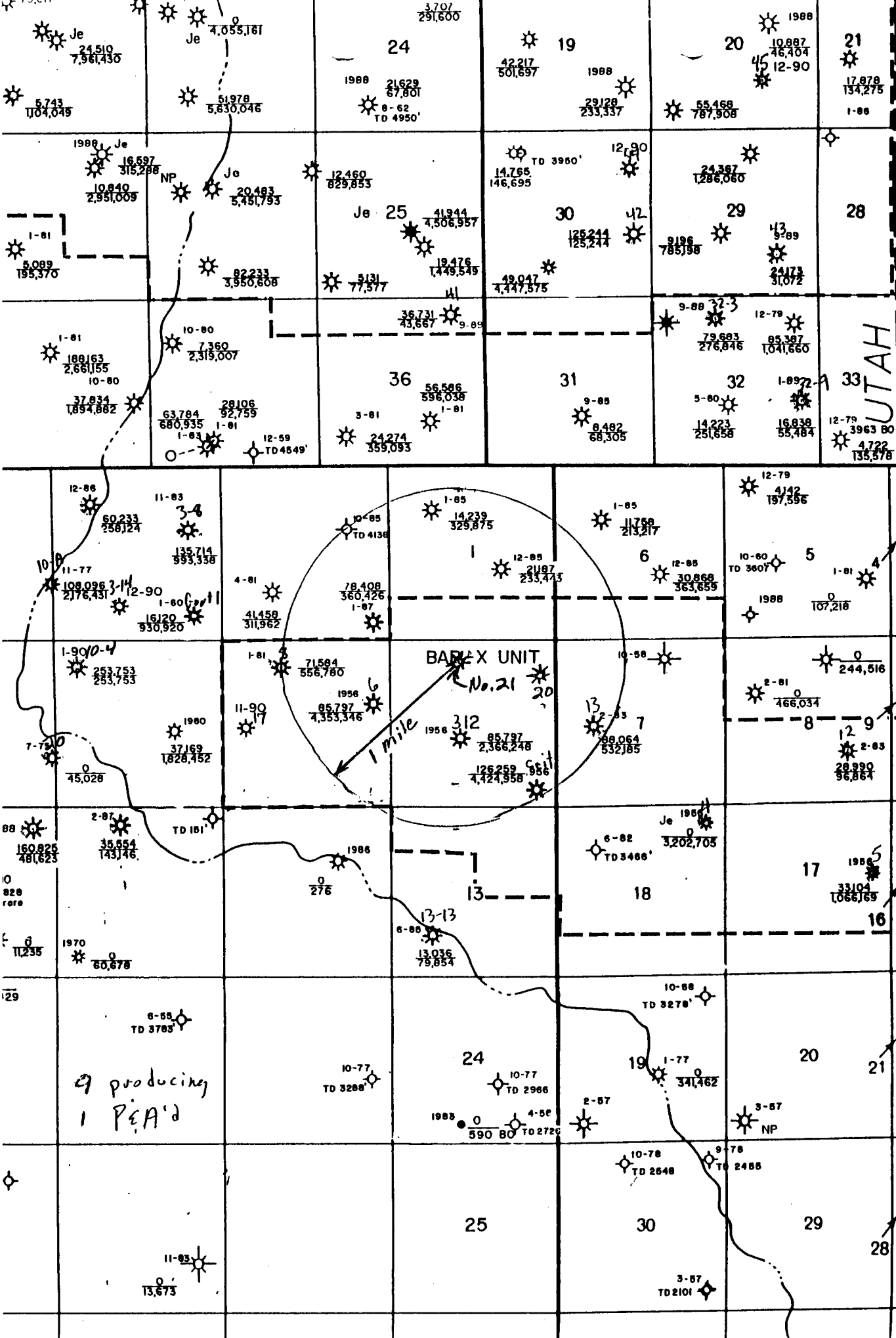


EXHIBIT I
 BLOWOUT PREVENTER DIAGRAM

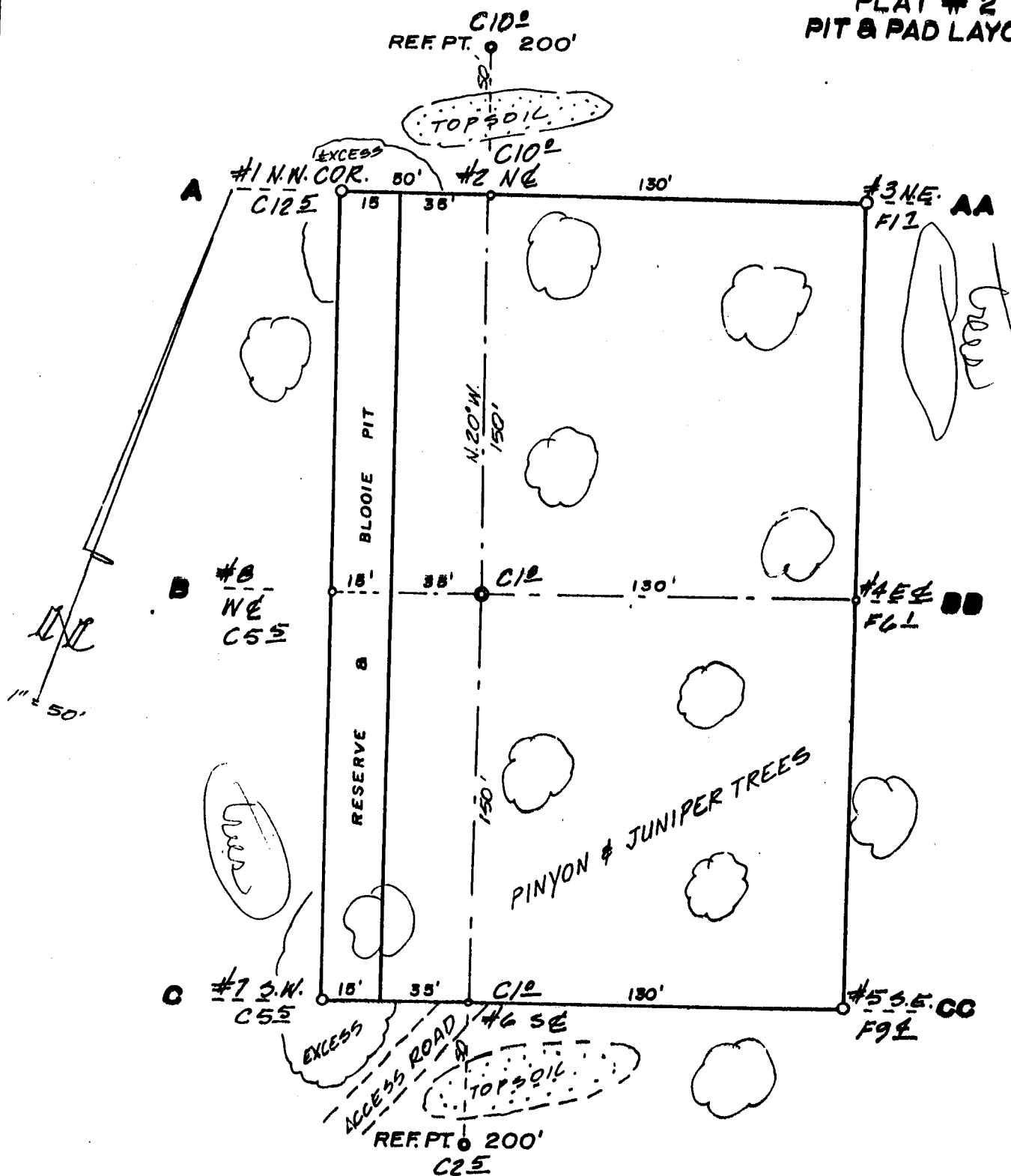
MAP #3
BX No. 21



UTAH

T 17 S

PLAT # 2 PIT & PAD LAYOUT



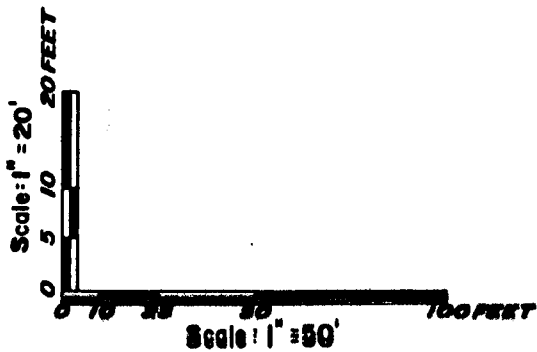
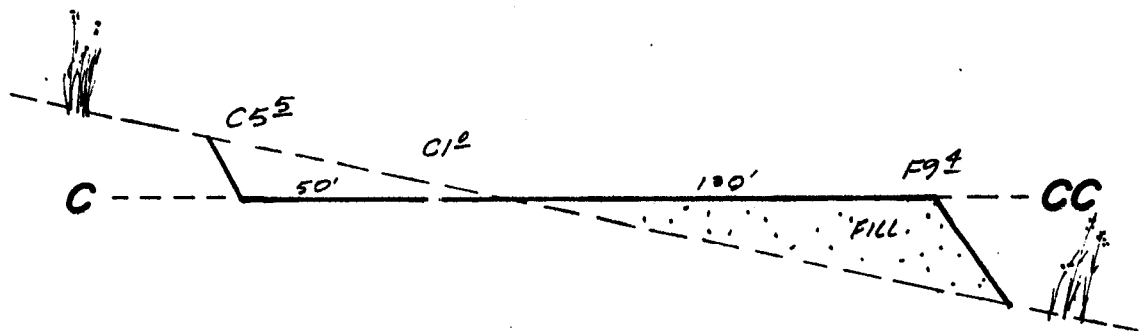
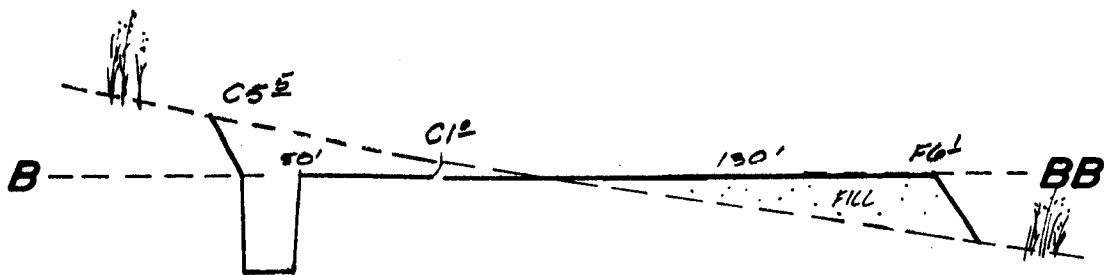
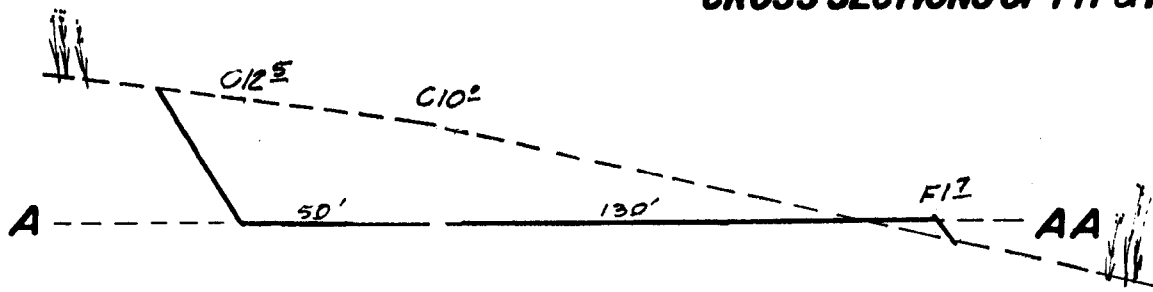
ESTIMATED DIRT QUANTITIES

ITEM	GUT	FILL	TOPSOIL	EXCESS
PAD	4790	3522	1200	
PIT	1500	—	—	
TOTAL	6290	3522	1200	1568

ENERGY SURVEYS CORP.
GRAND JUNCTION, COLORADO

BAR-X UNIT # 2/
LONE MOUNTAIN PRODUCTION

PLAT NO. 3
CROSS SECTIONS OF PIT & PAD

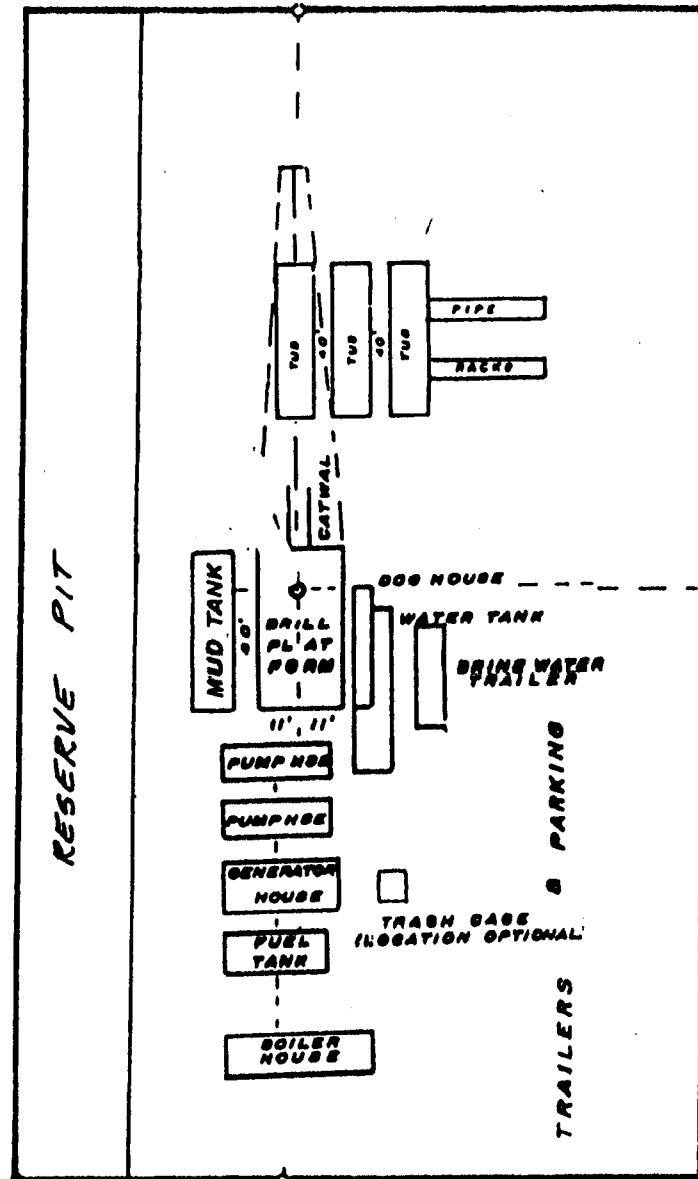


BAR-X UNIT # 21

SURVEYED	3/94	
DRAWN	3/94	
CHECKED	3/94	

**ENERGY
 SURVEYS &
 ENGINEERING CORP.**

PLAT # 4 RIG LAYOUT



LONE MOUNTAIN PRODUCTION
BAR-X UNIT # 21

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/10/94

API NO. ASSIGNED: 43-019-31352

WELL NAME: BAR-X FEDERAL 21
OPERATOR: LONE MOUNTAIN PRODUCTION (N7210)

PROPOSED LOCATION:

NENW 12 - T17S - R25E
SURFACE: 0844-FNL-2280-FWL
BOTTOM: 0844-FNL-2280-FWL
GRAND COUNTY
BAR X FIELD (160)

LEASE TYPE: FED
LEASE NUMBER: SLC-064806

PROPOSED PRODUCING FORMATION: DKTA

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond: Federal ☒ State ☐ Fee ☐
(Number UT 0719)
N Potash (Y/N)
N Oil shale (Y/N)
N Water permit
(Number _____)
N RDCC Review (Y/N)
(Date: _____)

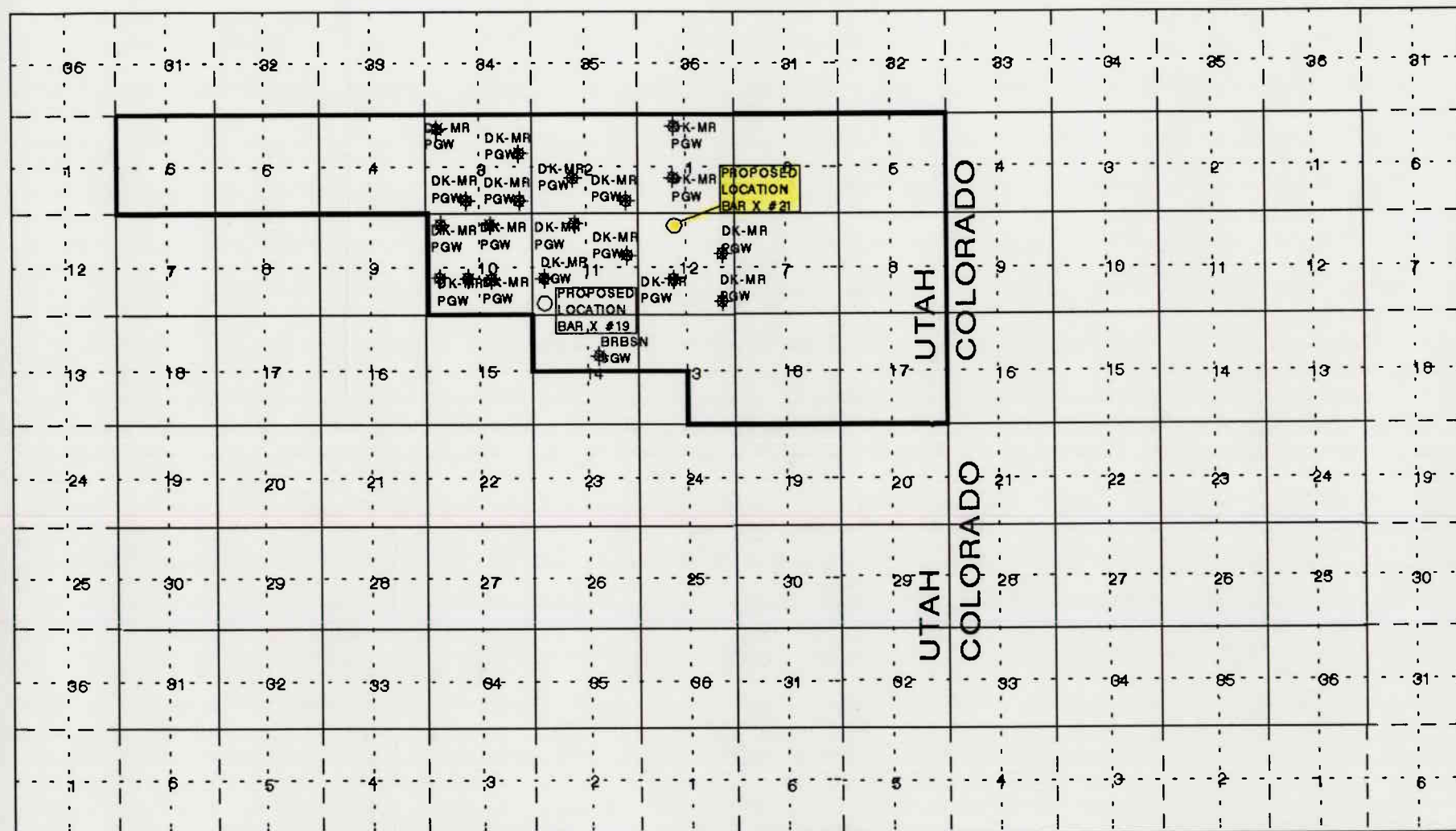
LOCATION AND SITING:

☒ R649-2-3. Unit: UTU 63015 X
☐ R649-3-2. General.
☐ R649-3-3. Exception.
☐ Drilling Unit.
Board Cause no: _____
Date: _____

COMMENTS: _____

STIPULATIONS: 1. WATER PERMIT AND SOURCE WILL BE SUPPLIED
BY SUNDAY PRIOR TO SPUD.

BAR X



R 25 E

R 26 E

GRAND COUNTY
FIELD 160 ACTIVE

T
17
S

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DEPARTMENT OF THE INTERIOR
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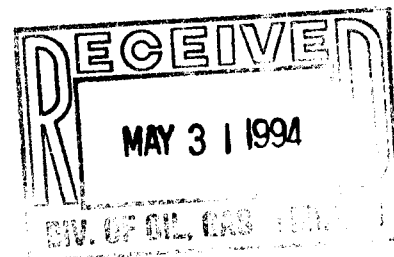
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24.

SIGNED

TITLE Petroleum Engineer

DATE May 2, 1994

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

/S/ WILLIAM C. STRINGER

Associate District Manager

APPROVED BY

TITLE

DATE

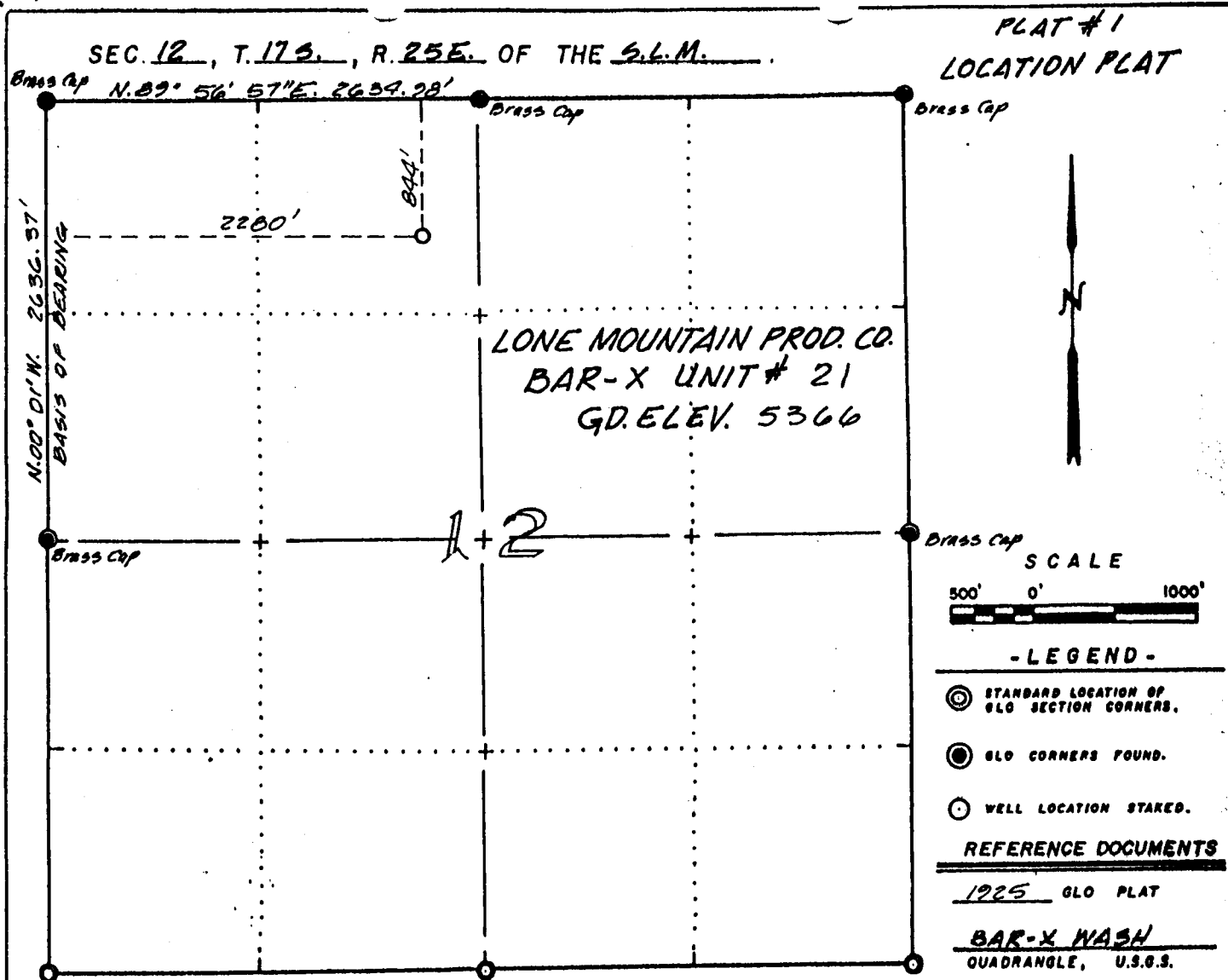
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Dated 1/1/80

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THIS WELL LOCATION PLAT WAS PREPARED FOR: LONE MOUNTAIN PRODUCTION CO.
TO LOCATE THE BAR-X WASH # 21, 844 F.N.L. 8
2280' F.W.L. IN THE NE 1/4 NW 1/4, OF SECTION 12, T. 17 S., R. 25 E.
OF THE S.L.M. GRAND COUNTY, COLORADO

SURVEYOR'S

CERTIFICATE

I, Larry D. Becker: a Registered Land Surveyor in
The State Of UTAH Do Hereby Certify That This
Survey Was Made Under My Direct Supervision, and
That This Plat Represents Said Survey.

Larry D. Becker
No. 4189
LARRY D. BECKER
UTAH L.S. # 22157459

SURVEYED	3/94
DRAWN	3/94
CHECKED	3/94

ENERGY
SURVEYS
CORPORATION

381 PINE PEAK DRIVE
GRAND JUNCTION, CO. 81503
(303) 245-7221

SCALE: 1"=1000'
JOB NO.
SHEET OF.

Lone Mountain Production Company
Bar-X Federal No. 21
Lease SL-064806
NW/NE Section 12, T17S, R25E
Grand County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Lone Mountain Production Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT 0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. This action requires concurrent approval from the State of Utah, Division of Oil, Gas and Mining (DOGM). This location is not in a spacing "window" as defined in the Utah General Spacing Order.
2. The proposed 2M BOP system is adequate. The BOP system shall be maintained and tested in accordance with Onshore Oil and Gas Order No. 2.
3. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

B. SURFACE USE PLAN

1. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer. Within five working days the authorized officer will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
- a timeframe for the authorized officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the authorized officer are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the authorized officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The authorized officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the authorized officer that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. The use of water from West Salt Creek (Mesa County, Colorado) has been identified as a water depletion to the Colorado River and potentially affecting the T&E fish species. The impacts from the depletion will be offset with the one-time contribution of \$12.34 per acre-foot of water to:

National Fish and Wildlife Foundation
The Bender Building
1120 Connecticut Avenue, N.W.
Washington, D.C. 20036

Payments should be accompanied by a cover letter that identifies the project and biological opinion that is requiring the payment, the amount of the payment enclosed, check number, the balance of payment still due, the name and address of the payor, the name and address of the BLM office authorizing the project, and the address of the FWS office issuing the biological opinion. This information will be used by the Foundation to notify the payor, the BLM, and FWS when payment has been received.

3. In order to protect deer winter range, no drilling will be allowed from December 1 through April 15. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the authorized officer.
4. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
5. Cross-country traffic will be suspended during periods of wet weather to reduce soil rutting and soil compaction.
6. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling the drilling rig. If upgraded, the road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.
7. The reserve pit will be located in cut material, with at least 50% of the pit volume below original ground level.
8. To minimize the amount of fugitive dust and spray escaping from the blooie pit, the blooie line will be directed into a sloped bank of subsoil.
9. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
10. At the end of drilling operations and prior to reclamation of the reserve pit, the fourth side of the pit will be fenced and the top of the pit will be covered with netting of one inch or less to prevent access by birds.

11. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.
12. Prior to the installation of a pipeline, a Sundry Notice and map of the pipeline route will be submitted to determine if additional cultural resource inventories would be needed. No pipeline installation will be authorized until appropriate Sundry Notices or Rights-of-way are approved by BLM.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the District Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the District Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

NOTIFICATIONS

Notify Rich McClure or Jack Johnson of the Grand Resource Area in Moab, Utah, at (801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

3 hours prior to testing BOPE

If the person at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (801) 259-6111
Home:	(801) 259-2214

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

B. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

LONE MOUNTAIN PRODUCTION COMPANY

3. ADDRESS OF OPERATOR

100 N 27TH, SUITE 450, BILLINGS, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

844' FNL 2280' FWL

At proposed prod. zone

SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 MILES NORTHWEST OF MACK, COLORADO

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

844'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

2236'

16. NO. OF ACRES IN LEASE

1280 ACRES

17. NO. OF ACRES ASSIGNED

TO THIS WELL

160 ACRES

19. PROPOSED DEPTH

3576' MORRISON

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5366' GR

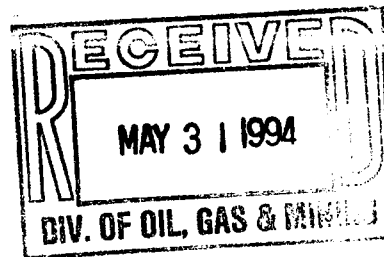
22. APPROX. DATE WORK WILL START*

MAY 30, 1994

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	300'	150 sx 'G' + 3% CaCl yld: 1.
6 1/4"	4 1/2"	10.5#	3576'	175 sx 10-0 Thixotropic yld: 1.6



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Petroleum Engineer

DATE May 2, 1994

(This space for Federal or State office use)

PERMIT NO.

42-019-31352

APPROVAL DATE

/S/ WILLIAM C. STRINGER

Associate District Manager

DATE MAY 2 1994

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

June 1, 1994

Lone Mountain Production Company
100 North 27th, Suite 450
Billings, Montana 59103

Re: Federal #21 Well, 844' FNL, 2280' FWL, NE NW, Sec. 12, T. 17 S., R. 25 E.,
Grand County, Utah

Gentlemen:

Pursuant to Utah Code Ann. § 40-6-18, (1953, as amended), Utah Admin. R. 649-2-3, Application of Rules to Unit Agreements and R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules.
2. Notification to the Division within 24 hours after drilling operations commence.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.



Page 2
Lone Mountain Production Company
Federal #21 Well
June 1, 1994

6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-019-31352.

Sincerely,



R.J. Firth
Associate Director

ldc
Enclosures
cc: Grand County Assessor
Bureau of Land Management, Moab District Office
WOI1

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: LONE MOUNTAIN PRODUCTION

WELL NAME: BAR X UNIT 21

API NO. 43-019-31352

Section 12 Township 17S Range 25E County GRAND

Drilling Contractor VECO

Rig # 16

SPUDDED: Date 7/1/94

Time EVENING

How ROTARY

Drilling will commence

Reported by JOE DIKE

Telephone #

Date 7/1/94 SIGNED FRM

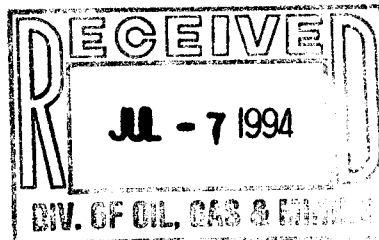
LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 450
Billings, MT 59101

July 5, 1994



State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180
Attn: Mr. Frank Matthews

RE: Entity Action Form - Form 6
Bar-X Federal No. 21
NENW Sec. 12, T17S-R25E
Grand County, Utah

Dear Frank,

Enclosed please the Entity Action Form - Form 6 for the referenced well indicating notice of spud. If you have any questions, please call.

Very truly yours,

LONE MOUNTAIN PRODUCTION COMPANY

William B. Lloyd

Enclosure
cc: Joe Dyk

ENTITY ACTION FORM - FORM 6

OPERATOR Lone Mountain Production Company

OPERATOR ACCT. NO. N 7210

ADDRESS P. O. Box 3394

Billings, MT 59103

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	00455	43-019-31352	Bar-X Federal No. 21	NENW	12	17S	25E	Grand	7/2/94	7/2/94
WELL 1 COMMENTS: Well was spudded at 8:00 a.m., 7/2/94 Entity added 7-8-94. Lee (Bar X H/DK-MR "B")											
)											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

JUL - 7 1994

James D. Routsen
Signature
President
Title
7/5/94
Date

Phone No. (406) 245-5077

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
SLC-064806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar-X

8. Well Name and No.

Federal No. 21

9. API Well No.

43-019-31352

10. Field and Pool, or Exploratory Area

Bar-X

11. County or Parish, State

Grand County, UT

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

844' FNL, 2280' FWL Sec 12: T17S-R25E
(NE $\frac{1}{4}$ NW $\frac{1}{4}$)

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Status Report
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

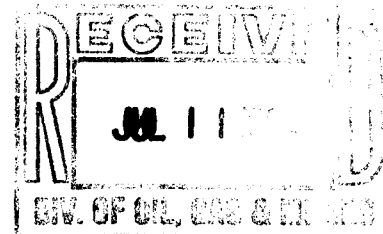
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Drilled 12-1/4" wellbore to 306'. Ran 8-5/8" casing to 306' and cemented to surface with 85 sx high gel and 30 sx Cl. G + 3% Cacl. Full returns

Drilled 7-7/8" wellbore to 3,576'. Ran E-logs. Log tops: Dakota Silt @ 3,034' (+2,348'); Dakota Sand @ 3,118' (+2,264'); Morrison @ 3,232' (+2,150')

Ran 4-1/2" casing to 3,568' and cemented w/225 sx of 10-0 thixotropic.

Rig released @ 8:15 p.m., 7/7/94.



14. I hereby certify that the foregoing is true and correct

Signed

Title Petroleum Engineer

Date 7-8-94

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

REPORT OF WATER ENCOUNTERED DURING DRILLING - FORM 7

1. Well name and number: Bar-X Federal #21
API number: 43-019-31352
2. Well location: QQ NENW section 12 township 17S range 25E county Grand
3. Well operator: Lone Mountain Production Company
Address: P. O. Box 3394 phone: (406) 245-5077
Billings, MT 59103
4. Drilling contractor: Veco Drillings Company, Inc. Rig #16
Address: P. O. Box 1705 phone: (303) 242-6912
Grand Junction, CO 81502

5. Water encountered (continue on reverse side if necessary)

Depth		Volume (flow rate or head)	Quality (fresh or salty)
from	to		
0	3576'	None encountered	

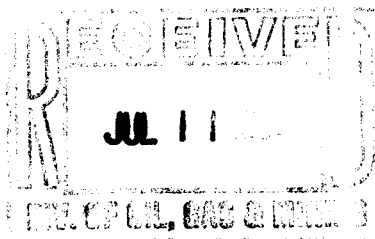
6. Formation tops: Dakota Silt 3,034' +2,348'
Dakota Sand 3,118' +2,264'
Morrison 3,232' +2,150'

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I certify that this report is true and complete to the best of my knowledge.

Name William B. Lloyd Signature [Signature]
Title Petroleum Engineer Date 7/8/94

Comments:



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SL-064806

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings MT 59103 (406) 245-5077

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

844' FNL, 2280' FWL Sec 12: T17S-R25E
(NE $\frac{1}{4}$ NW $\frac{1}{4}$)

7. If Unit or CA, Agreement Designation

Bar X Unit

8. Well Name and No.

Federal No. 21

9. API Well No.

43-019-31352

10. Field and Pool, or Exploratory Area

Bar X

11. County or Parish, State

Grand County, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Lay surface pipeline
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

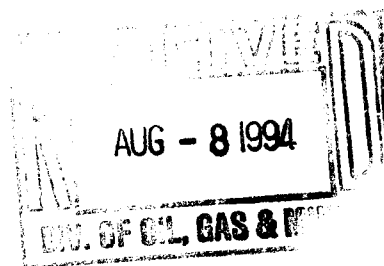
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

A surface gas line will be laid from the Bar-X Unit No. 21 well to a tie in at the Bar-X Unit No. 20 well. The line will be 2 7/8", schedule 80, welded steel pipe. Minimal surface disturbance will occur. An archeological survey was performed by Grand River Institute and the flagged route designates the pipeline route as shown on the attached map. The approximate length is 2500'.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

~~FOR RECORD ONLY~~
~~Utah Division of~~
~~Oil, Gas and Mining~~
Accepted by the



14. I hereby certify that the foregoing is true and correct

Signed

James R. Rafter

Title

Petroleum Engineer

Date

8/5/94

(This space for Federal or State office use)

Approved by

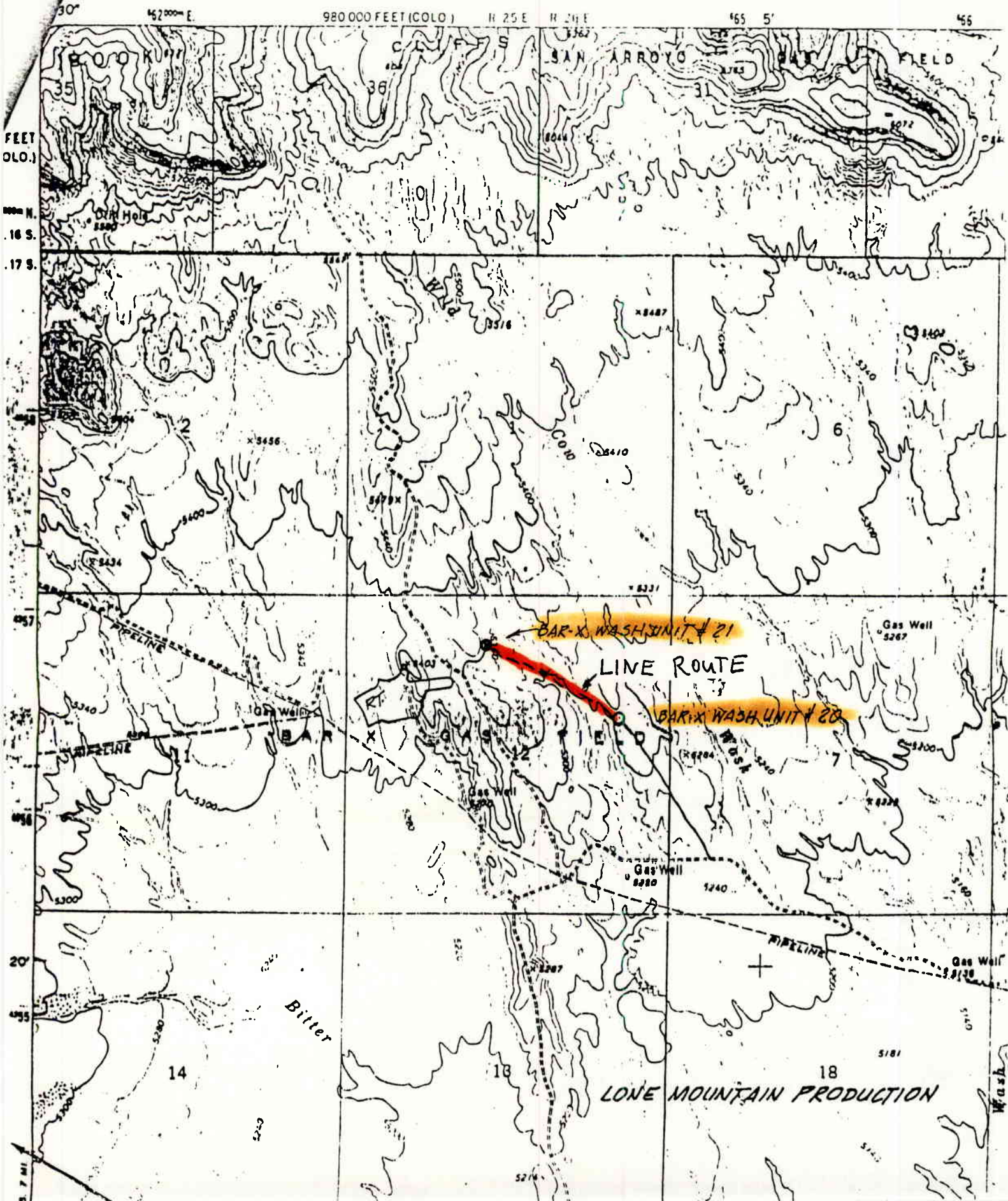
Title

Date

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MAP # 1
TOPO & ACCESS MAP



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 12

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

SLC-064806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

Bar-X

8. Well Name and No.

Federal No. 21

9. API Well No.

43-019-31352

10. Field and Pool, or Exploratory Area

Bar-X

11. County or Parish, State

Grand County, UT

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

844' FNL, 2280' FWL Sec. 12: T17S-R25E
(NENE)

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Completion
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Lone Mountain Production Company intends to complete the Bar-X Unit No. 21 as per the attached completion procedure.

We hope to commence operations on or about August 12, 1994.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct

Signed

Title

Petroleum Engineer

Date

8-9-94

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

LONE MOUNTAIN PRODUCTION COMPANY

Bar-X Federal #21

NENW S12, T17S-R25E

Grand County, Utah

Page1

COMPLETION PROCEDURE

KB Elev.: 5382'
GL Elev.: 5366'
Casing Setting Depth: 3567.83' cmt. w/225 sx 10-0 thixotropic
PBSD: 3523.28'

- 1 MIRU completion unit. Unload, rack and tally 3500' of 2-3/8" tubing. NU BOP and frac spool and test.
- 2 PU 3-1/2" bit and scraper on tubing and clean out to PBSD. Circ. clean. TOOH and LD bit and scraper. Swab well down to PBSD.
- 3 RU wireline truck and run GR/CBL/VDL log from PBSD to 100' above cement top. Perforate Morrison w/2 jspf (0.40" dia.) at 3336'-40', 3345'-52', 3354'-59' and 3392'-95' (38 holes total. Select fire for bottom interval). Correlate to FDC/CNL log run dated 7/6/94. RD wireline and test rate up casing. **If rate is more than 400 mcf, proceed to step 5.**
- 4 PU 1 jt. 2-3/8" tubing, retrievable tension packer, SN and tubing and TIH. Set packer at 3295'. Acidize Morrison perms with 750 gals of 15% HCL. Drop 38, 1.1 s.g ball sealers after first 40 gallons and evenly spaced throughout remainder of job. Release packer and lower through perms. Swab well to kick off and test. Test till rate stabilizes then SION for pressure buildup.
- 5 POOH w/tubing and LD packer. RU wireline truck and lubricator. PU Elder model E-1 packer w/mechanical plug on wireline and run in and set at 3,320'. Dump 1 sk of sand on plug.
- 6 Perforate Dakota with 1 jspf (0.25" dia) as follows: 3141', 3150', 3192', 3194', 3195', 3220', 3225' and 3227'. RD wireline.
- 7 PU 1 jt. 1-1/2" tubing w/mule shoe on btm, 1-1/2" x 2-3/8" cross over, 1 jt. 2-3/8" tubing, SN and 2-3/8" tubing. TIH and set EOT @ 3100'. Land with N-80 pup joint and blast joint on top. Frac Dakota interval w/20,000# 100 mesh and 80,000# 20/40 sand in 75 DHQ N₂ foam (triple entry). Frac at total rate of 33 BPM. Flow well back overnight to clean up.

LONE MOUNTAIN PRODUCTION COMPANY

Bar-X Federal #21

NENW S12, T17S-R25E

Grand County, Utah

Page2

- 8 Test rate from Dakota. TIH w/tubing, circ. sand off plug w/well gas and knock out plug w/1-1-2" tubing. Land with 1-1/2" stinger approx. 1/2 way in plug. ND BOP and frac spool. NU tubing head and SWI for line connect.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
DIV. OF OIL, GAS & MINING

SEP - 9 1994
SUBMIT IN DUPLICATE
(See other)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

LEASE DESIGNATION AND SERIAL NO.

SLC-064806

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

FEDERAL NO. 21

10. FIELD AND POOL, OR WILDCAT

BAR -X

11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA

SEC. 12:T17S,R25E

12. COUNTY OR PARISH

GRAND

13. STATE

UTAH

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other

b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. REVR. ☐ Other

2. NAME OF OPERATOR

LONE MOUNTAIN PRODUCTION COMPANY

3. ADDRESS OF OPERATOR

P.O. BOX 3394 BILLINGS, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 844' FNL, 2280' FWL

At top prod. interval reported below Same

At total depth Same

14. PERMIT NO.

43-019-31352

DATE ISSUED

6-1-94

15. DATE SPUDDED

7-2-94

16. DATE T.D. REACHED

7-6-94

17. DATE COMPL. (Ready to prod.)

8-20-94

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

5383' KB

19. ELEV. CASINGHEAD

5366'

20. TOTAL DEPTH, MD & TVD

3576'

21. PLUG, BACK T.D., MD & TVD

3521'

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

YES

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

3336' - 3395' MORRISON

3141' - 3227' DAKOTA

(DK-MR)

25. WAS DIRECTIONAL SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

FDC/CNL/GR DIL/GR

CBL/GR

7-1-94

27. WAS WELL CORED

NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24	306'	12 1/4"	185 sks HGS, 30 sks 'G'	----
4 1/2"	10.5	3568'	7 7/8"	225 sks 10-0	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

3392'-95' 3354'-59

3345'-52' 3336'-40' 0.4", 46 TOTAL

3141', 3150', 3192', 3195'

3220', 3225, 3227' 0.3", 8 Shots Total

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3141' - 3227'	535BBL SN ₂ FOAM, 10M#100MESH, 2M#20/40

33.* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
8-19-94		FLOWING				SI-WOPI	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
8-19-94	3	5/8"	→		188.5		
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
140	250	→		1508			

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

VENTED

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

NONE

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

TITLE

PETROLEUM ENGINEER

DATE 9-6-94

*(See Instructions and Spaces for Additional Data on Reverse Side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SEP 12 1994

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No
SLC-064806

SUNDRY NOTICES AND REPORTS ON WELLS - GAS & MINING

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P. O. Box 3394, Billings, MT 59103-3394

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

844' FNL, 2280' FEL Sec. 12: T17S-R25E
(NENE)

Bar-X

8. Well Name and No.

Federal No. 21

9. API Well No.

43-019-31352

10. Field and Pool, or Exploratory Area

Bar-X

11. County or Parish, State

Grand County, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

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TYPE OF ACTION

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☐ Casing Repair
☐ Altering Casing
☒ Other Report of 1st Prod.
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The referenced well was place on production on September 2, 1994 at 10:30 a.m.. Production rate was 200 mcfd with 690 psi FTP and FCP

14. I hereby certify that the foregoing is true and correct

Signed

Title

Petroleum Engineer

Date

9-7-94

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

**EQUIPMENT INVENTORY
UTAH DIVISION OF OIL, GAS AND MINING
STATE OF UTAH**

Operator: LONE MOUNTAIN PROD Lease: State: Federal: Y Indian: Fee:

Well Name: FEDERAL #21 API Number: 43-019-31352

Section: 12 Township: 17S Range: 25E County: GRAND Field: BAR X

Well Status: PGW Well Type: Oil: Gas: Y

PRODUCTION LEASE EQUIPMENT: (NUMBER)

Boiler(s): N Compressor(s): N Separator(s): Y Dehydrator(s): N

Shed(s): (2) Line Heater(s): N Heated Separator(s): YES VRU: N

Heater Treater(s): N

PUMPS:

Triplex: Chemical: Y Centrifugal:

LIFT METHOD:

Pumpjack: N Hydraulic: N Submersible: N Flowing: YES

GAS EQUIPMENT: (NUMBER)

Purchase Meter: N Sales Meter: Y

TANKS:

	NUMBER	SIZE
Oil Storage Tank(s):	<u>NO</u>	<u> </u> BBLs
Water Tank(s):	<u>YES</u>	<u> </u> BBLs
Power Water Tank:	<u> </u>	<u> </u> BBLs
Condensate Tank(s):	<u> </u>	<u> </u> BBLs
Propane Tank:	<u>NO</u>	

Central Battery Location: (IF APPLICABLE)

Qtr/Qtr: Section: Township: Range:

REMARKS: BARTON SALES METER WITH SHED. HEATED SEPARATOR W/SHED. GAS
DRIVEN METHONAL PUMP. FIRES RUNNING ON CASING GAS.

Inspector: DENNIS L INGRAM Date: 12/28/94

LONE MOUNTAIN PRODUCTION Co

FEDERAL #21
SEC 12; T17S; R25E

43-019-31352
SLC-064806

PGW.

FIRST REPORT 12/28/94

D Long na

↑
NORTH

Reserve
Pit
HAS BEEN
RECLAIMED.

○
WELLHEAD
↓ TREE

SUBSURFACE Pit
w/CULVERT
LINED
WALLS.

□ HEATED
SEPARATOR

□ GAS METER
↓ SHED

ENTRANCE
↑